

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

December 22, 2006

Mr. Loy Crapo aka The Bug House 350 East 300 South Post Office Box 1113 Delta, Utah 84624

Subject: Request for Certificate of Deposit (CD) Letter Agreement and Bank

Administrative Hold Letter for CD in the Amount of \$5100.00, Loy Crapo aka The Bug House, Fossil Lease 26068-A Mine, M0270012, Millard

County, Utah

Dear Mr. Crapo:

In a recent letter to the Division, you indicated there was a CD in place with Wells Fargo bank in the amount of \$5200.00 that serves as reclamation surety. The Division appreciates this information, however, further re-titling and documentation requirements are necessary in order to finalize the process.

The Division requires the completion of a CD letter agreement, an administrative hold letter, and correct titling of the CD. Please have your bank contact Beth Ericksen, Minerals Surety Coordinator, so the re-titling and the associated paperwork can be completed. She can be reached by telephone or email, (801) 538–5318 or bethericksen@utah.gov.

Division approval of the reclamation surety cannot occur until these final steps are taken and the CD re-titling and paperwork is complete. The Division can take no further review action of the reclamation surety documents until the above requirements are addressed.

If you have questions about the permit, please contact Mr. Tom Munson, Reclamation Specialist, (801) 538-5321. He can assist with modifying the permit to reflect actual ground disturbance and determining the required surety amount for this site.

Page 2 Loy Crapo M0270012 December 22, 2006

Thank you in advance for your prompt attention to this important permitting requirement.

Sincerely,

Susan M. White

Mine Program Coordinator Minerals Regulatory Program

Haddock

SMW:BE:be

Enc:

cc:

Beth Ericksen, DOGM Tom Munson, DOGM

Shannon Young, Wells Fargo, 225 West Main, Delta Utah 84624
P:\GROUPS\MINERALS\WP\M027-Millard\S0270012-TheBugHouse26068-A\final\suretyretitlingrequiredS027012a.doc